

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 1175 - SB 1469

April 16, 2019

SUMMARY OF ORIGINAL BILL: Authorizes the Division of TennCare (Division) to electronically submit a report on the use of technical assistance groups of healthcare providers in developing episodes of care to the Health Committee of the House of Representatives and the Health and Welfare Committee of the Senate.

FISCAL IMPACT OF ORIGINAL BILL:

NOT SIGNIFICANT

IMPACT TO COMMERCE OF ORIGINAL BILL:

NOT SIGNIFICANT

SUMMARY OF AMENDMENT (008352): Deletes all language after the enacting clause. Requires the Division of TennCare (Division) to reimburse ambulance service providers for covered services provided to TennCare recipients at a rate not less than 70 percent of the federal Medicare program's allowable charge for participating providers.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Expenditures – Exceeds \$7,392,900

Increase Federal Expenditures – Exceeds \$13,958,400

Assumptions for the bill as amended:

- The proposed legislation defines “ambulance service provider” as a public or private ground-based ambulatory service, other than an ambulance service based on federal property, that bills for transports and has a base of operations within this state.
- Based on information provided by the Division, the recurring increase in expenditures is estimated to exceed \$21,351,316. Medicaid expenditures receive matching funds at a rate of 65.375 percent federal funds to 34.625 percent state funds. Of this amount, an amount estimated to exceed \$7,392,893 ($\$21,351,316 \times 34.625\%$) will be in state funds

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and an amount estimated to exceed \$13,958,423 ($\$21,351,316 \times 65.375\%$) will be in federal funds.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

Increase Business Revenue – Exceeds \$21,351,300

Jobs Impact – Not Significant

Assumptions for the bill as amended:

- Ambulance service providers will experience a recurring increase in business revenue estimated to exceed \$21,351,316.
- The proposed legislation will not result in a significant increase in services; therefore, any jobs impact or impact on business expenditures is estimated to be not significant.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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